

1950
NEW ZEALAND

STATE FIRE INSURANCE OFFICE

ANNUAL REPORT OF THE GENERAL MANAGER FOR THE YEAR ENDED
31ST DECEMBER, 1949

*Presented to Both Houses of the General Assembly Pursuant to the Provisions of the State
Fire Insurance Act, 1908*

State Fire Insurance Office, Wellington, 31st May, 1950.

I HAVE the honour to submit the forty-fifth annual report of the State Fire Insurance Office for the year ended 31st December, 1949, with the Revenue Account and Balance-sheet.

The following are the comparative figures for the last three years :—

Income—				1947.		1948.		1949.	
Reserve for unearned premiums at 1st				£	£	£	£	£	£
January .. .. .	..	..	..	114,214		131,329		150,098	
Premiums .. .. .	..	..	..	262,658		300,195		329,075	
				376,872		431,524		479,173	
Less reserve for unearned premiums at 31st December .. .. .	..	..	..	131,329		150,098		164,537	
Earned premiums .. .. .	..	..	..	245,543		281,426		314,636	
Other receipts, less land-tax .. .. .	..	..	..	83,504		73,067		68,191	
				329,047		354,493		382,827	
Outgo—									
Bonus rebate to policyholders .. .. .	..	..	..	34,059		55,410		67,094	
Claims .. .. .	..	..	..	47,194		47,684		57,327	
Working-expenses .. .. .	..	..	..	74,616		93,493		95,299	
Fire Board contributions .. .. .	..	..	..	16,824		22,009		23,128	
Office equipment .. .. .	..	..	..	10,000		5,000		..	
				182,693		223,596		242,848	
Surplus, apportioned as follows—									
Government taxes (other than land-tax) ..	..	..	..	89,135		77,793		81,656	
Written off Office premises .. .. .	..	..	..	20,000		20,000		10,000	
Reserve Fund .. .. .	..	..	..	37,219		33,104		48,323	
				146,354		130,897		139,979	
				329,047		354,493		382,827	
Reserves and Funds at 31st December ..				1,429,731		1,481,604		1,544,367	
				Per Cent.		Per Cent.		Per Cent.	
Ratio of claims to earned premiums ..	..	..	..	19·22		16·94		18·22	
Ratio of working-expenses to earned premiums ..	..	..	..	30·39		33·22		30·29	
Ratio of Fire Board contributions to earned premiums .. .. .	..	..	..	6·85		7·82		7·35	
Ratio of Government taxes (excluding land-tax) to total income .. .. .	..	..	..	27·09		21·94		21·33	

The net premium income for the year was £329,075, being an increase of £28,880 over the figure for the previous year. Claims amounted to £57,327, an increase of £9,643, and working-expenses £95,299, an increase of £1,806. After making allowance for income-tax (£81,656) the surplus amounts to £58,323, which is the highest since the year 1946.

The figures show that the Office continues to expand its business and has completed another satisfactory year. Bound up in the progress of the Office is the services rendered to both the Office and the public by the staff, and I desire to express my appreciation of the excellent services rendered by the members of the staff and their loyal co-operation during the past year.

R. H. NEWBOLD, General Manager.

REVENUE ACCOUNT OF THE STATE FIRE INSURANCE

OFFICE FOR THE YEAR ENDED 31ST DECEMBER, 1949

Reserve for unearned premiums at 31st December, 1948	£	s.	d.
Premiums after deduction of reinsurance	..	329,074	14 11 3
Other income—	£	s.	d.
Interest, commission, and rents	70,401	10 2	
Less land, income, and social security taxes on interest, commission, and rents	36,464	13 3	
	<u>33,936</u>	<u>16 11</u>	

Bonus rebate to policyholders	..	..	..	£	s.	d.
Fire, earthquake, and marine losses after deduction of reinsurance	..	..	..	67,093	11 1	
Commission	..	..	..	57,326	17 3	
Salaries	..	..	..	16,334	17 6	
Contribution to Government Superannuation Fund	..	..	..	59,427	9 7	
Contribution to Fire Boards under Fire Brigades Act, 1926	..	..	..	2,671	4 5	
Expenses of management—	£	s.	d.	23,128	6 10	
Traveling-expenses	..	2,423	15 5			
Transfer of officers	..	1,365	7 5			
Printing and stationery	..	3,297	11 1			
Advertising	..	562	12 8			
Rents	..	1,571	7 2			
Exchange	..	125	9 9			
Postage, telegrams, telephone, and sundry charges	..	1,706	13 10			
Motor-vehicles and office equipment	..	..	..	11,052	17 4	
Office premises : depreciation	..	..	..	3,565	3 8	
Reserve for unearned premiums at 31st December, 1949..	..	..	..	2,247	0 0	
				<u>164,537</u>	<u>7 1</u>	
Income and social security taxes on underwriting account				407,384	14 9	
Office premises : written off	..	..	..	47,401	18 7	
Fire Insurance Funds at end of year	..	..	..	10,000	0 0	
				<u>48,322</u>	<u>12 9</u>	
	<u>£513,109</u>	<u>6 1</u>		<u>£513,109</u>	<u>6 1</u>	

BALANCE-SHEET OF THE STATE FIRE INSURANCE OFFICE AS AT 31ST DECEMBER, 1949

<i>Liabilities</i>			<i>Assets</i>		
	£	s. d.		£	s. d.
Capital authorized by State			Government securities	..	..
Insurance Act, 1908	100,000	0 0	Local authority securities	..	1,142,787 12 0
Less not raised	100,000	0 0	Fixed deposits and at short call	..	146,779 15 1
Bad Debts Reserve	..	..	Land and buildings	..	35,000 0 0
Reserve Fund	..	..	Outstanding premiums	..	84,949 8 11
Investments Fluctuation Reserve Fund	..	..	Interest accrued but not due	..	32,046 17 5
Reserve for Unearned Premiums	..	..	Rent accrued or due	..	13,797 17 5
Bonus Rebate Reserve	..	..	Cash in Reserve Bank of New Zealand, or in transit	..	2,892 0 10
Reinsurance Reserve Fund	..	..	Imprest advances at Head Office and branches	..	..
Premium and other deposits	..	..		£	s. d.
Outstanding fire, earthquake, and marine losses	..	..		341,996 19 1	
Government taxes accrued but not due	..	..		25,611 1 10	
Accident Branch (Employers Liability Insurance Account)	..	..		367,608 0 11	
Sundry creditors	..	..	
Other amounts owing by the Office—	£	s. d.			
Reinsurance premiums	26,815	14 10			
Commission	6,688	9 7			
Expenses of management	16,467	8 8			
Fire Insurance Funds as per Revenue Account	..	..	
				£1,825,861 12 7	

1st May, 1950.

R. H. NEWBOLD, General Manager.
T. L. SEATOR, Deputy General Manager.

I hereby certify that the Revenue Account and Balance-sheet have been duly examined and compared with the relative books and documents submitted for audit, and correctly state the position as disclosed thereby.—J. P. RUTHERFORD, Controller and Auditor-General.

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